

Environmental and Social Data Sheet

Overview

Project Name: OULU URBAN INFRASTRUCTURE II
 Project Number: 2015-0907
 Country: Finland
 Project Description: The project concerns the financing of schemes forming part of the City of Oulu five-year investment programme from 2016 to 2020. The project is expected to comprise a number of small to medium sized schemes in the fields of municipal infrastructure, education, water treatment, energy, ICT and transport.

EIA required: no

This is multi-scheme Framework Loan operation. Some of the schemes may require an EIA under Annex I or Annex II ("screened in") of the EIA Directive. Should any scheme be screened in, the Promoter shall deliver the NTS of EIAs to the Bank, if applicable, before the Bank funds are allocated.

Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

Oulu City is located in Northern Finland, 600 km North of Helsinki. It is the regional capital of Northern Ostrobothnia region. The operation will support a wide range of schemes, included in the City of Oulu's five-year investment programme from 2016 to 2020 under a municipal Framework Loan. The project is expected to comprise a number of small to medium sized schemes (with a cost below EUR 50m) in the fields of municipal infrastructure, education, water treatment, energy, ICT and transport. Many of the schemes support the implementation of the Oulu Urban Master Plan, for which an integrated strategic impact assessment was carried out in 2015.

Given the scope of this operation and sectors included, it is likely that some infrastructure schemes could fall under the EIA Directive 2011/92/EU, amended by Directive 2014/52/EU, either under Annex I or Annex II. Should any scheme under this operation fall under Annex II and be "screened in" by the Competent Authority, or fall under Annex I, the Promoter shall deliver the NTS of EIAs to the Bank, if applicable, before the Bank funds are allocated. However, given the relative small size of the individual schemes and the nature of the sectors concerned, most of the schemes are deemed not to have significant environmental impacts.

Investments in construction, reconstruction and/or renovation of public buildings have a number of positive effects expected, including energy savings in publicly owned buildings as a result of insulation of walls and roofs, changing of windows and other energy efficiency measures.

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

The construction/reconstruction works are expected to have some minor negative impacts during the construction/implementation period. Once the works are completed, it is generally expected that the overall net environmental impact will be positive.

Biodiversity Issues

There are 38 Natura 2000 areas in the territory of Oulu City. One unique feature of the area is having both southern and arctic species meeting in the same area. This is particularly true for birds. As virtually all schemes in this operation will be located in the urban territory of Oulu City, it is expected that no protected sites, including Natura 2000 will be affected by any of the schemes in the operation. However, should any scheme have any significant impact on a protected site, the Competent Authority has to provide evidence of the compliance with the Habitats (92/43/EEC) and Birds (2009/147/EC) Directives (Form A/B or equivalent) before the Bank funds are allocated.

Social Assessment

No separate social impact assessment study has been carried out. The biggest social impact will arise from the housing, education and childcare schemes. The loan will support the construction of basic municipal infrastructure. Following the recent influx of asylum seekers and refugees to Finland, and in Oulu in particular, there is a growing shortage of social housing, schools and kindergartens. New or reconstructed social housing units, schools and pre-schools will serve to alleviate the current situation. It is expected that the social impacts of the project will be overall positive. The quality of residents' everyday life, social relations and routines will increase thanks to improved municipal infrastructure and services.

Climate Change

The project is expected to contribute to climate change mitigation (e.g. energy efficiency in buildings) as well as climate change adaption (e.g. urban infrastructure and public buildings). Finland has on 20.11.2015 adopted "The National Climate Change Adaptation Plan 2022 of Finland, through a Government Resolution. The law stipulates that the Government approves long-term and short-term strategic mitigation and adaptation plans. The government will approve a national plan on adaptation at least every ten years.

Public Consultation and Stakeholder Engagement

The proposed schemes included in the framework loan are in line with the long term strategy for Oulu. The urban strategies in Oulu are subject to regular public consultation processes prior to their adoption, in accordance to national and regional planning laws and protocols.

Conclusions and Recommendations

The institutional capacity of the promoter to manage the environmental and social issues is deemed good. Given the nature of the operation and the procedures concerning EIA and nature protection put in place by the competent authorities in Oulu and the capacity of the Promoter, subject to the conditions mentioned above, the Framework Loan is acceptable in environmental and social terms.

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